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SUBJECT: MAY 11 MFA PRESS BRIEFING: DEPUTY SECRETARY'S
STATEMENTS ON CHINA'S POSITION ON DPRK, IRAN AND TAIWAN,
ADMIRAL FALLON, EXCHANGE RATE, CHEN'S LIBYA TRANSIT, YU
JIE, CHINA-JAPAN FM MEETING, DALAI LAMA, HRC, ANNAN'S
VISIT, CULTURAL REVOLUTION

Summary

11. Key points made at the May 11 MFA press briefing
are as follows:

- Noting remarks by "U.S. officials," referring to Deputy Secretary Zoellick's May 10 Congressional testimony, the MFA spokesperson asserted that China has made contributions to ensure a nuclear-free Korean Peninsula and promote the Six-Party Talks.
- Beijing does not favor "bitterly resorting to the use or threat of force" in dealing with international affairs and calls for restraint and a new round of diplomatic efforts to resolve the Iranian nuclear issue.
- The United States should cease military sales to and military exchanges with Taiwan.
- The MFA supports exchanges between the U.S. and Chinese militaries, which should help enhance mutual trust.
- China will continue its exchange rate reform, increase the flexibility of the RMB and strengthen risk management capabilities.
- Chen Shui-bian's stopover in Libya, in spite of Beijing's opposition, severely violated Libya's commitment to its one-China policy and negatively affected bilateral relations.
- Asked about Chinese activist Yu Jie's reported meeting with President Bush, the MFA spokesperson stated that China protects its citizens' freedom of religious belief.
- Beijing and Tokyo are discussing a possible meeting between the two foreign ministers.
- The Chinese Government opposes the Dalai Lama's conducting separatist activities in the international arena under the "pretext of religion."
- China's election to the UN Human Rights Council will

help promote the global human rights cause and China's own human rights situation.

- UN Secretary General Kofi Annan will visit China May 19-23. End Summary.

U.S.-China Cooperation on North Korea, Iran, Taiwan

¶2. During the regular May 11 MFA press briefing, several reporters asked about Deputy Secretary Zoellick's statements in his May 10 testimony to the House International Relations Committee on China's role in resolving the North Korean and Iranian nuclear issues, as well as on U.S. Taiwan policy. MFA Spokesperson Liu Jianchao asserted that both Beijing and Washington support resolving the DPRK nuclear issue through the Six-Party Talks in order to realize a nuclear-free Korean Peninsula at any early date and maintain regional stability. North Korea and the United States are now in a state of confrontation over financial issues, which have created certain obstacles, Liu remarked. China is prepared to promote the early resumption of the Talks and hopes relevant parties, particularly those who are most involved, take practical steps to remove the obstacles to the Six-Party Talks. Noting remarks by "U.S. officials," Liu argued that China has made contributions to ensure a nuclear-free Korean Peninsula and promote the Talks, adding that China also hopes for a prosperous and stable North Korea.

¶3. Beijing and Washington are holding discussions on the Iranian nuclear issue, Liu noted. China strongly

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supports the protection of the nuclear nonproliferation regime and the enhancement of diplomatic efforts to resolve the issue peacefully. Liu called on all the parties to exercise restraint and launch a new round of diplomatic efforts. Regarding the application of sanctions, Beijing does not favor "bitterly resorting to the use or threat of force" in dealing with international affairs, he remarked.

¶4. Liu stressed that the United States is fully aware of Beijing's position on Taiwan. China hopes Washington will strictly abide by its one-China principle, the Three Joint Communiques and commitment to "oppose" Taiwan independence. The United States should also cease military sales to and military exchanges with Taiwan in order to safeguard cross-Straits peace and stability and maintain positive U.S.-China relations.

Admiral Fallon's Visit

¶5. Asked by the Bloomberg correspondent about Admiral Fallon's visit to China, Liu asserted that military-to-military relations are an important component of the U.S.-China relationship. The MFA supports exchanges between the two militaries, which should help enhance mutual trust, he stated. Admiral Fallon met Defense Minister Cao Gangchuan and also plans to visit Xi'an, Hangzhou and Shenyang.

U.S. Treasury Report

16. Asked by the UPI correspondent to comment on the decision released in the recent U.S. Department of Treasury report not to designate China a currency manipulator, Liu remarked that China has taken a highly responsible attitude in this area. Beijing has taken steps in reforming the RMB exchange rate based on the actual economic conditions of China and the region. China will continue its exchange rate reform, increase the flexibility of the RMB and strengthen risk management capabilities in order to maintain the stability of the RMB in a rational manner, he said.

Chen's Libya Transit

17. Responding to the Xinhua reporter's inquiry into Chen Shui-bian's recent transit through Libya, Liu remarked that despite China's opposition and urgings, Libya insisted on approving Chen's stopover and also discussed the establishment of representative offices. These actions severely violated Libya's commitment to its one-China policy and negatively affected China-Libya relations. Beijing has expressed its dissatisfaction and calls on Libya to cease all forms of official exchanges with Taiwan in order to protect the overall interests of bilateral ties.

Yu Jie's Washington Visit

18. Asked about Chinese activist Yu Jie's reported meeting with President Bush, Liu noted the media report and asserted that China protects its citizens' freedom of religious belief. This is an internationally recognized fact to which China hopes relevant parties will pay attention, he stated.

Potential China-Japan FMs Meeting

19. Asked by the Kyodo correspondent what are the necessary conditions for a China-Japan foreign ministers' meeting, Liu stressed that visits by a "handful of Japanese leaders" to the Yasukuni Shrine have created obstacles to the normal development of bilateral ties. China wishes to remove these

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obstacles and improve relations. Beijing and Tokyo are discussing a possible meeting between the two foreign ministers, Liu stated, highlighting that China hopes Japan will recognize its sincerity to better relations. Asked about the Japanese Government's plans to invite Chinese students to visit on an exchange program, Liu said that China appreciates Tokyo's efforts to promote cultural exchanges and friendship between the two countries, particularly among youth, and stands ready to enhance such cooperation.

Dalai Lama

10. Asked about the Dalai Lama's recent trip to South America and Xinhua reports that he inspired a conflict between Tibetan monks, Liu argued that the Dalai Lama is not purely a religious figure but rather a political exile engaged in separatist activities. The Dalai Lama "clique" has never abandoned its independence position. The Chinese Government opposes the Dalai Lama's conducting separatist activities in

the international arena under the "pretext of religion," Liu remarked. China hopes relevant countries remain very alert.

Human Rights Council

¶11. Questioned by the Middle East News Agency correspondent about China's plans as a newly elected member of the UN Human Rights Council (HRC), Liu noted that China received 146 of 191 votes. China's election will help promote the global human rights cause and China's own human rights situation.

UNSYG Annan's Visit

¶12. Liu announced that UN Secretary General (UNSYG) Kofi Annan will visit China May 19-23 and meet with President Hu Jintao, Premier Wen Jiabao and State Councilor Tang Jiaxuan. China and the UNSYG maintain close contact and both expect the visit to cover important international issues, including the DPRK nuclear issue, Liu stated in response to a question on the specific visit agenda.

Cultural Revolution Anniversary

¶13. Asked by the AFP correspondent to comment on the upcoming 40th anniversary of the beginning of the Cultural Revolution, Liu remarked that the Chinese Communist Party (CCP) has already reached a conclusion on the Cultural Revolution that can be found in CCP documents.

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